

REMARKS

Claims 1 – 81 are pending in the above-identified patent application. Claims 1 – 81 were rejected in the Office Action dated July 28, 2004. Claims 2, 3, 16 – 18, 33, 34 and 59 are being amended. Claim 43 is being canceled. Reconsideration is respectfully requested.

Oath/Declaration

In section 2 of the Office Action, the Examiner objected to the oath/declaration because it does not identify the citizenship of each inventor. In response, Applicant is enclosing a new declaration indicating the citizenship of each inventor. Therefore, Applicant requests withdrawal of the rejection.

Specification

In section 3 of the Office Action, the Examiner objected to the disclosure because of a typographical error. Applicant is amending the specification to correct the typographical error and therefore requests withdrawal of this objection.

Claim Rejections – 35 U.S.C. §101

In section 4 of the Office Action, the Examiner rejected claims 1 and 16 under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. The Examiner states that the claims are directed to a process that does nothing more than manipulate an abstract idea. Applicant traverses this rejection.

Applicant respectfully submits that claims 1 and 16 are directed to the technological arts by reciting components such as servers and peers. Further, the claims do more than manipulate abstract ideas. Specifically, the claims recite the transmission of data and the identification of where the data is located. With the transmitted data, a peer can then obtain and decrypt data, such as a song. Further, the data is transmitted upon payment, thereby providing a data rights management system based on payment for data, thereby preventing unauthorized transmission of data. Accordingly, the claims are directed to a method that produces a concrete result (transmission of location and decryption data), tangible result (the data is then stored at a new

location) and a useful result (digital rights management). Therefore, Applicant requests withdrawal of the rejections.

Claim Objections

In section 5 of the Office Action, the Examiner objected to claim 43 as a duplicate of claim 42. In response, Applicant is canceling claim 43 and therefore requests withdrawal of this objection.

Claim Rejections – 35 U.S.C. §103

In sections 6 and 7 of the Office Action, the Examiner rejected claims 1 – 4, 8, 10 – 19, 23, 25 – 35, 39 – 49, 51, 53 – 60, 62, 64 – 71, 73, and 75 – 81 under 35 U.S.C. §103(a) as being unpatentable over “How the Old Napster Worked” by Jeff Tyson (hereinafter *Tyson*) in view of US Publication No. 2001/0051996 to Cooper et al. (hereinafter *Cooper*).

Applicant submits that claim 1 is patentable over *Tyson* and *Cooper* by at least reciting:

A method for implementation in an index server in a peer-to-peer system, comprising:
receiving, from a first peer, a request for a data file, the request including an ID of the first peer;
identifying a second peer having the data file from an index of peers;
processing payment for the data file; and
sending, to the first peer, an address of the second peer and a first encryption dataset to decrypt the data file.

As the Examiner states in the Office Action, neither *Tyson* nor *Cooper* teach all of the steps claimed. However, the Examiner combines the references to yield the claimed invention stating that one of ordinary skill in the art would have been motivated to do this because it prevents unauthorized individuals from accessing the digital content thus reducing piracy.

Applicant respectfully submits that it would not have been obvious to combine the references as no one has done so since the failure of Napster due to a lack of a digital rights management component. Even today, there is no Peer to Peer (P2P) system that solves the digital rights management issue and therefore prevents piracy. In fact, Napster ceased their P2P file sharing system because of copyright violations and the inability to

combine a P2P system with a digital rights management system. The current version of Napster no longer enables the transfer of files between peers. Accordingly, Napster's P2P system was in effect a failed experiment and is therefore unavailable as prior art as the Federal Circuit held in *Fromson v. Advance Offset Plate, Inc.*, 225 USPQ 26, 33:

The "failed" experiment reported in the prosecution history of the Mason patent renders that patent irrelevant as a prior art reference. As stated by Judge Learned Hand, "another's experiment, imperfect and never perfected will not serve either as an anticipation or as part of the prior art, for it has not served to enrich it." *Picard v. United Aircraft Corp.*, 128 F.2d 632, 635, 53 USPQ 563, 566 (2d Cir. 1942), *cert. denied*, 317 U.S. 651 (1942).

Further, the history of Napster teaches away from incorporating a digital rights management system because of the failure of Napster to do so and to instead reinvent itself as a conventional file downloading service. Since the history teaches away from the claimed invention, there would be no motivation to combine the cited references. Further, there is no suggestion to combine or modify Napster in the cited references. *Tyson* concludes that "P2P is here to stay, regardless of legality disputes," thereby suggesting there is no solution to the legal issue of digital rights managements. As the Federal Circuit held in *In re Gurley*, it is not obvious to combine the references because the line of development in *Tyson* teaches away from digital rights managements as Napster converted to a conventional file downloading service and other P2P systems that came afterwards have not solved this problem.

A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant. The degree of teaching away will of course depend on the particular facts; in general, a reference will teach away if it suggests that the line of development flowing from the reference's disclosure is unlikely to be productive of the result sought by the applicant. *See United States v. Adams*, 383 U.S. 39, 52, 148 USPQ 479, 484 (1966) ("known disadvantages in old devices which would naturally discourage the search for new inventions may be taken into account in determining obviousness"). *In re Gurley*, 31 USPQ2d 1130, 1131 (Fed Cir. 1994).

Accordingly, Applicants submit that claim 1 is patentable over the cited references as are claims 16 and 31 for reciting substantially similar limitations. Further, claims 2 – 15 and claims 17 – 30 are patentable at least by virtue of their dependency to claims 1 and 16, respectively. Further, for the rejections of all other claims in the Office Action, which rely on *Tyson*, Applicant submits that *Tyson* and the history of Napster in general is unavailable and teaches away from the combination for the reasons cited above.

Further, claims 2, 3, 17, 18, 33, and 34 were rejected by the Examiner even though *Tyson* does not teach the elements of these claims because they are nonfunctional descriptive. In response, Applicant is amending the claims 2, 3, 17, 18, 33, and 34 to be functional and therefore submits that these claims are patentable over the cited references for this additional reason.

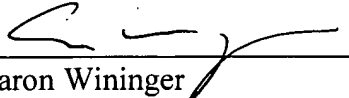
In section 8 of the Office Action, the Examiner rejected claims 5 – 7, 9, 20 – 22, 24, 36, 50, 52, 61, 63, 72, and 74 under 35 U.S.C. §103 as being unpatenable over *Tyson* in view of *Cooper* and further in view of U.S. Publication No. 2002/011912 to Hunter et al. (hereinafter *Hunter*). Applicant submits that *Tyson* is unavailable as prior art as there is no motivation to combine the references and *Tyson* teaches away from combining, as discussed above. Further, these claims are patentable by virtue of their dependency to patentable base claims.

Accordingly, Applicant request withdrawal of these rejections under 35 U.S.C. §103.

As all rejections have been overcome, Applicant requests a Notice of Allowance to be promptly issued. If the Examiner has any questions, she is invited to contact the undersigned at +1.650.843.3375.

Respectfully submitted,
Brian Yen

Date: October 28, 2004
Squire, Sanders & Dempsey L.L.P.
600 Hansen Way
Palo Alto, CA 94304-1043
Telephone (650) 856-6500
Facsimile (650) 843-8777

By 
Aaron Wininger
Attorney for Applicant
Reg. No. 45,229

CERTIFICATE OF MAILING

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being deposited with the United States Postal Service on the date shown below with sufficient postage as first class mail in an envelope addressed to Mail Stop Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on

Date: October 28, 2004

By: 

Aaron Wininger